

Office of Public Instruction
Initiatives for the 2003 Legislative Session

HB 73 (Holly Raser, D-Missoula): K-12 BASE aid increases

This proposal ties the increases in the basic and per-ANB entitlements to projected increases in the cost of school services. Given that salaries and benefits represent 75 percent of school district general fund expenditures, an inflation index tied to the labor market appears to be the best proxy for growth in the cost of school services. DRI-WEFA (March 2002) projects that the Employment Cost Index for compensation will increase by 3.7 percent in 2002 and 3.2 percent annually in 2003, 2004 and 2005.

This proposal requests an increase in the basic and per-ANB entitlements of 3.7 percent in FY04 and 3.2 percent in FY05. The cost of this proposal is \$17.9 million in FY04 and by \$32.2 million in FY05.

Biennial Cost: \$50,100,000 general fund

HB 193 (Gary Branae, D-Billings): Payment of \$1,000 per certified FTE to each school district

This proposal is to provide a payment of \$1,000 per certified FTE to each school district. In FY 2001, school districts reported 12,097 FTE certified staff. The cost of this proposal is estimated to be \$12,100,000 annually.

The benefit of this proposal is that it would:

- assist school districts with recruiting and retaining teachers,
- allow school districts to provide enhanced professional development opportunities, and
- cushion the impact of declining enrollment by providing funding based on the number of teachers.

Biennial Cost: \$24,200,000 general fund

SB 92 (Don Ryan, D- Great Falls): Three-year averaging of ANB

This proposal is to allow schools with declining enrollment to calculate ANB using an enrollment average for the 3 previous school years. For schools with steadily growing enrollment, the ANB would be calculated using the previous year's enrollment count. This proposal is estimated to cost the state \$12.5 million annually. The local share is estimated at \$3.5 million annually.

Biennial Cost: \$25,000,000 general fund

SB 76 (Trudi Schmidt, D-Great Falls): Align state statutes with federal Individuals with Disabilities Education Act

Congress is in the process of reauthorizing the Individuals with Disabilities Education Act (IDEA). Based on progress to date, it is probable that a new IDEA will be signed into law by January or February of 2003. It is anticipated that this reauthorization will bring a variety of changes to this significant federal education law. Anticipated changes in IDEA include: expanded opportunities for early intervention, changes to criteria for determining disabilities, the imposition of sanctions on school districts not showing adequate yearly progress in programs that serve students with disabilities, and a number of other areas. Montana statutes rely heavily on the language of IDEA by both reference and quotation. This proposal is intended to ensure that state statute is modified to ensure consistency between Montana's statutory requirements and federal law.

Biennial Cost: \$0

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SB 81 (Mike Cooney, D-Helena): Honorary diplomas for WWII Veterans

This proposal would allow the Superintendent of Public Instruction to award diplomas to veterans living in Montana, who served during the period of August 1940 to July 1947, and were honorably discharged or died in active service or were released from active duty because of a service-related disability. Under this proposal, a family member would be allowed to apply on behalf of a veteran who is deceased or incapacitated.

Biennial Cost: \$0

HB 78 (Gary Branae, D-Billings): Conduct of school on Saturday in emergency

Current law prohibits the conduct of school on Saturday or Sunday except in emergencies. In emergencies, pupil instruction may be conducted on Saturday when it is approved by the superintendent of public instruction in accordance with policies adopted by the board of public education. The proposed legislation would remove the State Superintendent from the approval process and allow the school board to approve pupil instruction on Saturday in an emergency.

Biennial Cost: \$0

HB 103 (Hal Jacobson, D-Helena): Revise pupil transportation funding formula

This request is to reintroduce (and fund) HB 163 from the 2001 legislative session. The proposed legislation greatly simplifies a very complex pupil transportation reimbursement system while making the state funding more equitable for school districts. The proposal bases the state/county bus mileage reimbursement rate on the size of the bus and increases the "base" mileage rate to \$0.95 for buses. It also repeals the November high school ridership count and increases state aid to schools for pupil transportation by \$1,700,000 annually, which will be equally matched by county payments. Schools currently use local tax levies to fund approximately 50% of their transportation costs. State and counties each pay about 25% of the total cost.

Biennial Cost: \$3,400,000 general fund

HB 153 (Norm Ballantyne, D-Valier): Revision of child advocate requirements in special education

Current law provides that if a child's parents cannot be located, a local school district must appoint a person to represent the child in all decision-making processes concerning the child's special education. The person called upon to be the child's advocate "must be an adult who is not an employee of a state or local educational agency." This proposal would allow a person employed by another school district to act as the advocate. The language would be amended to provide: Mont. Code Ann. §20-7-461(2) "The person nominated as a surrogate parent must be an adult who is not an employee of a the state or the local educational agency."

Biennial Cost: \$0

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SB 97 (Bob Story, R-Park City): Require county superintendents to submit revenue reports to OPI for the county transportation and county retirement funds.

The Office of Public Instruction does not currently collect budget reports from counties for the county transportation and retirement funds. County superintendents only report mill levies to OPI for these funds. The proposal is to require county superintendents to provide the OPI with a budget report which includes details on the adopted budget, operating reserves, budgeted revenues by revenue source, and fund balance reappropriated. Given that the OPI distributes over \$30 million in state guaranteed tax base aid and transportation reimbursements to these two funds, it is appropriate to collect the budget detail for these funds. This budget data is also important for the analysis of proposals affecting HB 124 block grants and other non-levy revenue sources.

Biennial Cost: \$0

LC 1420 (Bill Wilson, D- Great Falls): Dedicate increases in state land revenues to K-12 BASE aid

This proposal seeks to insure that future increases in state lands revenue and revenues from the State Lands School Trust Fund would result in actual increases for schools rather than offsetting the general fund appropriation for K-12. A benchmark in state land revenues would be established for FY 2003. Henceforth, any increase in state land revenues would result in an increase in revenues to schools. This could be done in by either raising the BASE schedules by that amount, raising the "flex fund", or establishing a new "school land revenue" account that would distribute the funds. Raising the schedules would have the greatest long-term impact.

HB 2 – Appropriation requests

- ❖ **Special education funding increases**
- ❖ **Stipends for National Board Certification**
- ❖ **Funding for Statewide Student Assessment**
- ❖ **Funding to implement Indian Education for All**
- ❖ **No Child Left Behind and other federal programs – spending authority**

**Office of Public Instruction
Initiatives for the 2003 Legislative Session**

Goal	Strategy	Bill or LC #	Sponsor	Cost	Funding Level in Governor's Budget
Support schools so that all students can achieve high standards	Increase the basic and per-ANB entitlements by 3.7% in FY2004 and by 3.2% in FY2005	HB 73	Holly Raser (D-Missoula)	FY2004 \$17.9 million FY2005 \$32.2 million	FY2004 \$820,000 FY2005 \$6.9 million (Governor's proposal increases the entitlements by 2% in FY2002 and 1% in FY2005. Lowers DSA% to 42.6%)
Support schools so that all students can achieve high standards	Allow schools with declining enrollment to calculate ANB using an enrollment average for the 3 previous school years	SB 92	Don Ryan (D-Great Falls)	FY2004 \$0 FY2005 \$12.5 million	FY2004 (\$150,000) FY2005 \$6.9 million (Governor's proposal uses a 3-year average for all districts, not just those districts w/ declining enrollment)
Support schools so that all students can achieve high standards. Recruit and retain a high quality teaching staff.	Payment of \$1,000 per certified FTE to each school district	HB 193	Gary Branae (D-Billings)	FY2004 \$12.1 million FY2005 \$12.1 million	\$0
Support schools so that all students can achieve high standards	Funding to support Maintenance of Effort for special education	HB 2 – Appropriation process		FY2004 \$1.0 million FY2005 \$1.0 million	FY2004 \$1.0 million FY2005 \$1.0 million
Support schools so that all students can achieve high standards	5% annual increase in special education funding	HB 2 – Appropriation process		FY2004 \$1.7 million FY2005 \$1.7 million	\$0
Support schools so that all students can achieve high standards	Funding for incorporation of Indian Education for All goals into school programs	HB 2 – Appropriation Process		FY2004 \$60,000 FY2005 \$60,000	\$0
Support schools so that all students can achieve high standards	Alignment of state statutes with federal Individuals with Disabilities Education Act	SB 76	Trudi Schmidt (D-Great Falls)	No cost.	
Support schools so that all students can achieve high standards	Maintain Present Law funding levels for pupil transportation funding	HB 2 – Appropriation process		FY2004 \$81,032 FY2005 \$81,032	FY2004 \$81,032 FY2005 \$81,032

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Goal	Strategy	Bill or LC #	Sponsor	Cost	Funding Level in Governor's Budget
Support schools so that all students can achieve high standards	Revise pupil transportation funding formula	HB 103	Hal Jacobson (D-Helena)	FY2004 \$1.7 million FY2005 \$1.7 million	No new money, but achieve proposal with funding shifts
Support schools so that all students can achieve high standards	Increase funding for school facility reimbursements	HB 2 – Appropriation process		FY2004 \$33,817 FY2005 \$143,817	FY2004 \$33,817 ** FY2005 \$143,817 ** ** Funding to come from Treasure State Endowment
Support schools so that all students can achieve high standards	Dedicate state land revenue increases to K-12 BASE aid	LC 1420	Bill Wilson (D-Great Falls)	Unknown at this point – contingent on legislative revenue estimates	\$0
Support schools so that all students can achieve high standards	Revision of child advocate requirements in special education	HB 153	Norm Ballantyne (D-Valier)	No cost.	
Recruit and retain a high quality teaching staff	Create a statewide school employee self-insured health pool	LC 101	Dave Lewis (R- Helena)	\$20 million loan needed to establish a reserve	
Recruit and retain a high quality teaching staff	Teacher loan repayment assistance	HB 107	Alan Olson (R- Roundup)	FY2004 \$330,000 FY2005 \$660,000	FY2004 \$330,000 FY2005 \$660,000
Recruit and retain a high quality teaching staff	Continued funding for stipends for nationally certified educators	HB 2- Appropriation process		\$21,000 FY2004 \$51,000 FY2005	\$0
Recruit and retain a high quality teaching staff	Increase TRS benefit for 30 years of service	HB	Larry Jent (D-Bozeman)	FY2004 \$0 FY2005 \$12 million	\$0
Assess and communicate the quality and achievements of K-12 education	Honorary diplomas for WWII and Korean Conflict veterans	SB 81	Mike Cooney (D- Helena)	No cost.	
Support accountability and improvement in all Montana schools	Funding for statewide student assessment	HB 2 – Appropriation process		FY2004 \$253,250 FY2005 \$263,250	FY2004 \$253,250 FY2005 \$263,250
Support accountability and improvement in all Montana schools	Conduct of school on Saturday in emergency	HB 78	Gary Branae (D-Billings)	No cost.	

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Support accountability and improvement in all Montana schools	Require county superintendents to submit revenue reports to OPI for the county transportation and retirement funds.	SB 97	Bob Story (R-Park City)	No cost.	

Office of Public Instruction
Initiatives for the 2003 Legislative Session